Mine Inspection Report for Q2 2006

Executive Summary:

The findings at the mines during the quarterly inspections were as follows:

There were rock dusting, permissibility, belt line, and ventilation violations. All of these violations, when pointed out to mine management, were corrected immediately and the mine area made safe. None of these violations was substantial or significant. The workers and management were helpful and cordial. The focus this quarter was on belt lines and escapeways because of the recent mine incidents. Mine management and the work force are aware of the importance of keeping the mines in a safe condition to prevent any disaster from happening. The coal mines that were inspected were in good, if not excellent condition. They are maintained in a clean and safe condition and safety is the number one priority at each mine. No one mine is perfect and no one mine will ever be, but all are striving to maintain a safe work environment.

The guarterly inspections of the seven underground mines were as follows:

Howesville Mine: Sunrise Coal Company

Inspected May 3, 2006. The belt lines and primary and secondary escapeways were inspected. The working unit was observed producing coal and air reading taken at the face line curtain, and faces checked for gas. No violations were found. This mine has poor roof conditions and water, but all attempts are being made to maintain the mine in working condition. Inspected all mine records. They were up to date. The mine ceased operation June 9, 2006. It is relocating to a new mine location in Carlisle, Indiana.

Hazleton Mine: White River Coal Company

Inspected May 30, 2006. Inspected the belt lines and escapeways. They were safe and clear of obstruction and adequately rock dusted. Inspected Unit #1; all faces were clear of gas and air was traveling its normal course. Inspected all mine records. They were up to date. No violations were found.

Freelandville Mine: Triad Coal Company

Inspected May 2, 2006. Inspected the belt lines and primary and secondary escapeways. Escapeways were safe and clear. Inspected south main west room panel; all faces were clear of gas, air readings were intake 23,220 cfm, and return air reading was 16,000 cfm. Inspected mine records and all were up to date. No violations were found.

Solar Sources Rail Site

Inspected April 26, 2006. Inspected all rail site mine books and all were up to date. Inspected all coal tunnels and belt lines; all were clean and free of obstructions. Inspected loading facility and hydraulic areas. No violations were found.

Prosperity Mine: Five Star Mining Company

Inspection May 10, 2006 and June 15, 2006. Inspected mine records; found one air reading not entered. This was corrected. Inspected belts 1N1 from ME to x-cut 40. This area was clean. Inspected 2N1 from 40 x-cut to ME; rib at x-cut 28 and x-cut 68 needed pried down. Both areas were secured and made safe. Inspected MW1 belt, it was clear. MW2 belt, it had an inadequate supported rib, which was flagged, and traffic rerouted. Area was made secure. Inspected MW# belt, all belt transformers on the route, and head and tail areas. All areas were clean and clear. Inspected Unit #3. Unit needed rock dusting and this was being done. Checked all section equipment. Found bent packing gland on #1 Scoop; this was repaired. #1 Diesel Scoop had damaged conduit on left side light; this was repaired. #12 Miner had a loose packing gland on

methane monitor and this was repaired. All seven faces were clear of gas, but a line curtain needed to be hung in #4 face. Air reading at last open x-cut was 25,238 cfm. Inspected Unit #5. Checked all face equipment and all ten faces. All faces were clear of gas, and equipment was found to have no violations. Needed one belt switch moved on section belt and this was done. Mine, in general, is in good shape.

Gibson Mine: Gibson Coal Company

Inspected May 15, 2006 and June 27, 2006. Inspected all mine records and they were up to date. Inspected the 1st 54 belt; it was clean and free of obstructions. Inspected 1st 48 belt. Belt needed cleaned at drive area, belt needed swept and tail needed cleaned. This was done. 2nd 48 needed cleaned. This was done. 3rd 48 head needed cleaned and this was done. 4th 48 belt was okay. Unit #1 1st 42 belt was okay. Unit #1 2A belt rib rash needed cleaned at 13 and 14 x-cut. This was done. Traveled secondary escapeway and it was clear and clean. Belt air reading on 1st 54 belt was 190 fpm and on 1st 48 belt was 220 fpm. Inspected unit #3 all eleven faces. Highest gas reading was .3% Ch4 at faces. Spot-checked face equipment and it was clean and in good working order. Air reading at last open crosscut was 19,890 cfm. Oil station on section needed cleaned up and this was done. Inspected travel ways on unit #3 and #4; found some loose top in both travel ways, which were pried down, and area made safe.

Air Quality Mine: Black Beauty Coal Company

Inspected May 9, 2006 and June 23, 2006. Inspected all mine records and they were up to date. Inspected MS belt from Bottom to Unit #2. A loose rib was observed in walkway 39 to 40 x-cut. Condition was corrected. Loose roof and rib was observed at 48 x-cut; condition was corrected. Inspected 3WC belt, rib fall in walkway needed cleaned; this was corrected. Inspected MS drive area to # 75 x-cut, belt transformer and take-up. Areas were okay. Inspected intake escapeway from mouth of unit #2 to #35 x-cut. Needed rock dusted from #64 x-cut to #35 x-cut. This was done. Inspected Unit #2; all eight face entries were clear of gas. Inspected face equipment, found two conduits on face miner that needed tightened, this was done. Inspected battery stations and Unit #2 stations did not have adequate ventilation, a change was made and stations were adequately ventilated. Inspected unit transformers for proper tagging and identification. Last open crosscut air reading 30,720 cfm. Inspected Unit #4 all eight entries were clear of gas. All face equipment was checked for permissibility and no violations were found. Inspected Unit #5; all seven entries were clear of gas. Equipment was checked, no violations were found. Inspected travel way from bottom to solar slope; bottom area was clear and clean. Mine was in good shape and maintained in good condition.

Francisco Mine: Black Beauty Coal Company

Inspected May 31, 2006. Inspected all mine records and books were up to date. Inspected Main East belt, #1SE belt, #1SW belt, A&B belt 6 South Belt, all belt lines were in excellent condition, well rock dusted, and clean. Inspected intake escapeway, found a pump breaker not tagged and this was corrected. Inspected unit from face to intake travel way. Six crosscuts needed dusted from the last belt move and this was done. Took downcast air reading 97,524 cfm. Last open crosscut air reading was 30,240 cfm. This mine is in good shape and well maintained.

Deputy Commissioner Bureau of Mines Don McCorkle